



# ***DISASTER NEWS***

*Loans for Homeowners, Renters and Businesses of all Sizes*

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## **BE WARY OF FIRMS CHARGING TO HELP COMPLETE SBA LOAN APPLICATIONS**

**Baton Rouge, LA** – “Disaster victims should be wary of loan packaging firms that are charging fees for services that the U. S. Small Business Administration (SBA) provides free of charge. Unfortunately, some of these people are trying to take advantage of hurricane victims,” said Alfred E. Judd, Director of SBA’s Disaster Field Operations Center - West. “SBA wants to make sure that before you hire someone to help you complete your application, you should know that our Customer Service Representatives are ready to meet with homeowners, renters, and business owners to discuss your case and give you help filling out your application,” Judd continued.

People can get one-on-one help at 55 FEMA Disaster Recovery Centers (DRCs), one Business Recovery Center, 11 Small Business Development Centers and five Business Assistance Centers throughout Louisiana. SBA Customer Service Representatives are on hand to help individuals and business owners fill out their SBA loan application.

“We can answer your questions about SBA’s disaster loan program, explain the application process and tell you how an SBA disaster loan can help finance your recovery. We are anxious to provide any and all necessary assistance and to answer applicants’ questions. SBA does not charge for any of the services we provide in these centers,” Judd said.

“In our New Orleans Business Recovery Center, business owners can speak with SBA representatives to get help in completing SBA loan applications, obtain business counseling in planning their recovery and accessing Federal and state programs. They can also get help recreating destroyed financial records, all at no charge to the business owner,” he added.

“I can’t emphasize enough how important it is to come in and talk to us. All you need to do is come in and sit down with us. You don’t need an appointment,” he continued.

Disaster loans up to \$200,000 are available to homeowners to repair or replace damaged or destroyed real estate. Homeowners and renters are eligible for loans up to \$40,000 to repair or replace personal property. Businesses of any size and private, non-profit organizations may apply to SBA for low interest physical disaster loans up to \$1.5 million to repair or replace hurricane damage to real estate, machinery and equipment, inventory or other business assets. These loans cover uninsured losses or situations where the insurance coverage falls short of the replacement costs. For small businesses only, SBA also offers Economic Injury Disaster Loans (EIDLs) to help meet working capital needs created by the hurricane, even if the business did not have any property damage.

Individuals and business owners may also get help by calling SBA at **(800) 659-2955** between 5 a.m. and 10 p.m. Central Standard Time, seven days a week. The deadline to submit SBA loan applications has been extended to **January 11, 2006**.